

HOUSE BILL 361

By Zachary

AN ACT to amend Tennessee Code Annotated, Title 28;
Title 62, Chapter 6, Part 3 and Title 66, Chapter 5,
relative to limitation of actions brought against
home inspectors.

BE IT ENACTED BY THE GENERAL ASSEMBLY OF THE STATE OF TENNESSEE:

SECTION 1. Tennessee Code Annotated, Section 62-6-302, is amended by adding the following as new subdivisions:

() “Component” means a readily accessible and observable aspect of a system, such as a floor, or wall, but not individual pieces such as boards or nails where many similar pieces make up the component;

() “Dismantle” means to take apart or remove any component, device or piece of equipment that is bolted, screwed, or fastened by other means and that would not be dismantled by a homeowner in the course of normal household maintenance;

() “Normal operating controls” means homeowner operated devices such as a thermostat, wall switch, or safety switch;

() “Readily accessible” means approachable or enterable for visual inspection without the risk of damage to any property or alteration of the accessible space, equipment, or opening;

() “System” means a combination of interacting or interdependent components, assembled to carry out one (1) or more functions;

SECTION 2. Tennessee Code Annotated, Title 62, Chapter 6, Part 3, is amended by adding the following as a new section:

(a) Notwithstanding title 28, chapter 3, part 1, a cause of action to recover damages suffered by a client as a result of any act or omission of a home inspector

relative to a home inspection or home inspection report must be commenced within one (1) year from the date the report is completed.

(b) The limitation in subsection (a) applies to all actions against a home inspector based on a home inspection or home inspection report, regardless of whether the action is based on breach of contract, personal injury or death, property damage, or another source of liability, except that the limitation in subsection (a) is not applicable to an action based on gross negligence or intentional misconduct by the home inspector. The limitation in subsection (a) shall not be waived in a contract for home inspection services.

(c) A person shall not bring a cause of action against a home inspector for damages that arise from an act or omission of the home inspector relating to a home inspection report or home inspection unless the person was the client for whom the home inspection was conducted.

(d) A home inspector is not liable for any defect that may be contained in the readily accessible systems and components of residential buildings that have been inspected pursuant to a home inspection if:

- (1) The defect could not have been discovered by a visual inspection;
- (2) The system or component functions by normal operating controls; or
- (3) Discovering the defect would require dismantling equipment.

SECTION 3. Tennessee Code Annotated, Section 62-6-308(c), is amended by adding the following to the end of the subsection:

Disciplinary action taken against a home inspector by the commissioner pursuant to this part shall not, in and of itself, be the basis for a civil or criminal cause of action against the home inspector.

SECTION 4. This act shall take effect upon becoming a law, the public welfare requiring it, and shall apply to home inspections completed on or after the effective date of this act.